

Richard E. D'Aquin, Chair

William T. Roberts, Jr., Vice Chair

Roland M. Troups, Secretary

E. Joseph Savoie
Commissioner of Higher Education



BOARD OF REGENTS

*P.O. Box 3677
Baton Rouge, LA 70821-3677
Phone (225) 342-4253
FAX (225) 342-9318
www.regents.state.la.us*

*William "Billy" Blake
Scott O. Brame
Reggie Dupré
Frances T. Henry
Robert Levy
William A. Oliver
Virgil Robinson, Jr.
Norbert A. Simmons
William Clifford Smith
Pat A. Strong
Artis L. Terrell, Jr.
Steven Sumbler
Student Member*

August 2, 2002

COMMISSIONER OF HIGHER EDUCATION ADDRESSES FUNDING STRATEGY

Baton Rouge: "The Board of Regents will reward colleges and universities based on their ability to adopt serious changes in support of the state's new Master Plan for Public Postsecondary Education," said Commissioner of Higher Education Joe Savoie.

Savoie points out that the Regents are looking forward to receiving performance and accountability plans for all public colleges and universities later this month to be used in the Regents' appropriation strategy of performance funding.

Currently, the system boards for Louisiana's public colleges and universities are setting institutional investment priorities and developing performance/accountability plans as a direct result of Regents' action to include the system boards in funding decisions.

"This important action allows system board members to be directly involved in setting budgetary priorities and allocating \$8 million to support those priorities. As a result, campuses must engage in persuasive dialogue with their boards to demonstrate their priority needs and to measure results tied to any successful allocation request," Savoie said.

The LSU Board of Supervisors held an executive board meeting this week to develop funding priorities for their system campuses in accordance with the Board of Regents guidelines. The LSU Board of Supervisors was provided \$1.5 million in operating funds and \$1.8 million in one-time acquisition funds for allocation to their campuses based on board-recognized campus priorities in support of the Master Plan. All boards - the LSU Board of Supervisors, the Southern University Board of Supervisors, the University of Louisiana System Board and Louisiana Community and Technical College System Board - will submit their plans to the Board of Regents for approval at its August 21 board meeting.

In a memo dated July 8, 2002, to college, university and system presidents, Regents outlined the guidelines and strategies for the distribution of all new state funds in support of statewide priorities and campus needs.

Commissioner Savoie points out that Regents are taking the performance-based funding approach very seriously.

"New resources and improved results must go hand in hand. Therefore, final approval of funding will be tied to campus performance in areas such as graduation rates, retention rates and demonstrated movement toward an appropriate student mix."

ADD ONE

COMMISSIONER OF HIGHER EDUCATION ADDRESSES FUNDING STRATEGY

One major theme of the Master Plan is a focus on new admission standards for all four-year universities and matching students to institutions where they can be most successful. The actual statewide impact of the higher admission standards required by the Master Plan remains to be seen. Studies currently underway guided by Noel-Levitz, the nation's largest enrollment management consulting firm, are to be completed at the end of October and will provide institution-specific enrollment projections for all four-year institutions and a meaningful analysis of the impact of the new admissions standards.

Savoie applauded the Foster administration for providing the support to drive institutional changes, pointing out that while higher education institutions in Louisiana have suffered through years of difficult financial conditions, hampering their ability to improve, postsecondary education has seen a significant enhancement in state financial support over the past seven years of the Foster administration.

In fact, Louisiana's funding improvements have been cited by national sources, specifically the Grapevine publication which reports on nationwide higher education funding trends, as being a national leader in state funding. In 2001- 2002, Louisiana ranked 2nd in the nation in increased funding for higher education enhancement. Over the past five years, Louisiana ranked 4th in the nation. Louisiana is likely to maintain a high ranking for 2002-2003 since it realized a 7% increase while most other states were either stable or declining due to national economic conditions. LSU-Baton Rouge continues to share appropriately in Louisiana's funding gains, receiving well over \$80 million in new funding under this administration.

"The Governor and Legislature have aggressively responded to the need for Louisiana to reinvest in education. We in turn must ensure that every dollar is allocated in an accountable and efficient manner that truly drives institutional performance. In short, the Board of Regents stands ready to reward campuses for doing the right things," Savoie stated.